Performance of Commercial Banks in Rural Areas

121. SHRI ASHWANI KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the performance of Commercial Banks in rural areas has been quite poor;

(b) if so, what are the reasons therefor; and

(c) what action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) No, Sir. It is not a fact that the performance of Commercial Banks in rural areas has been quite poor. As per data available from Reserve Bank of India, the Aggregate Deposits of Public Sector Bank's in rural areas increased from Rs. 23495 crores as on September 1990 to Rs. 27306 crores as on September 1991 and their advances increased from Rs. 13514 crores to Rs. 15430 crores during the corresponding period. The amount of advances to Priority Sector extended by Public Sector Banks increased from Rs. 40304 crores at the end of December 1990 to Rs. 42660 crores as at the end of September 1991. the amount of loans disbursed by All Scheduled Commercial Banks for agricultural & allied activities increased from Rs. 3526 crores during the year ending June 1988 to Rs. 3813 crores during June 1989 and further to Rs. 4282 crores during June 1990. The performance of Public Sector Banks in lending under Annual Credit Plans also registered an increase from Rs. 7250 crores during 1989-90 to Rs. 7988 crores during 1990-91. Thus from the above it may be seen that there is an improvement in the performance of Commercial Banks in rural areas.

Government borrowings from RBI

122. SHRI JAGESH DESAI: Will the Minister of FINANCE be pleased to state:

(a) what is the net borrowing from Reserve Bank of India by the Government of India during the period from 1.4.1990 to 31.1.1991 and from 1.4.1991 to 31.1.1992; and

(b) what has been the impact of that on inflation?

THE MINSTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The net Reserve Bank credit to the Government of India during 1991-92 and the corresponding period in 1990-91 is as follows:

Period	Increase over March 31	
	Rs. crores	Per cent
1.4.90—25.1.1991	15,055	20.9
1.4.91—24.1.1992	14,979	17.3

(b) The increase in net Reserve Bank credit to the Government of India is smaller in this financial year. This is expected to have a moderating effect on the rate of inflation.

Raids Conducted to Unearth Black Money

123. SHRI JAGESH DESAI: Will the Minister of FINANCE be pleased to state:

(a) what is the number of raids and searches conducted under the direct taxes laws during the last six months to unearth black money;

(b) what is the total amount in cash and kind seized during this operation;

(c) whether Government propose to make tax laws more deterrent to discourage evasion of taxes; and

(d) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b)